

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0367-09
Bill No.: Perfected SS#2 for SCS for SB 8
Subject: Employees- Employers; Workers' Compensation
Type: Original
Date: March 16, 2011

Bill Summary: This proposal restricts co-employee liability in workers' compensation cases.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Legal Expense Fund	Unknown	Unknown	Unknown
State Road Fund	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to a previous version, officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Department of Labor and Industrial Relations** and **Department of Insurance, Financial Institutions and Professional Registration** assume that there is no fiscal impact from this proposal.

Officials at the **Office of Administration (OA)** assume an unknown savings to the Legal Expense Fund from the co-liability exclusion provisions. OA currently covers all liability to state employees (co-employee) in court. Co-employees would not be held liable resulting in a savings to the Legal Expense Fund. The exclusive remedy exclusion language should not impact OA as OA would retain all available immunities outside of Chapter 287.

Officials at the **Missouri Department of Transportation (MoDOT)** assume this version in section 11 makes an employer liable, outside the workers' comp statutes. Employers could be sued outside the workers' comp system under this provision. MoDOT assumes this could result in a unknown cost to the State Road Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
LEGAL EXPENSE FUND			
<u>Savings</u> - co-employee liability	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON LEGAL EXPENSE FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
STATE ROAD FUND			
<u>Cost</u> - employer liable outside workers compensation	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON STATE ROAD FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The act affirmatively states that occupational diseases are covered under workers' compensation laws.

This act ensures that co-employees shall be released from liability for all workplace injuries under the workers' compensation system except when they engage in an affirmative negligent act that purposefully and dangerously caused or increased the risk of injury.

Toxic exposure is defined as an exposure to chemicals, dusts, particulates, fumes, mists, fibers, solvents, vapors, radiation, or other substances or other materials that, when ingested, consumed, inhaled, or absorbed are sufficient to cause disease, death, mutations, cancer, deformities, or reproductive abnormalities in humans. In cases where occupational disease is caused by toxic exposure, there shall be no subrogation rights for employers.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Labor and Industrial Relations
Department of Insurance, Financial Institutions and Professional Registration
Missouri Department of Transportation
Office of Administration
Office of the Attorney General

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 16, 2011